

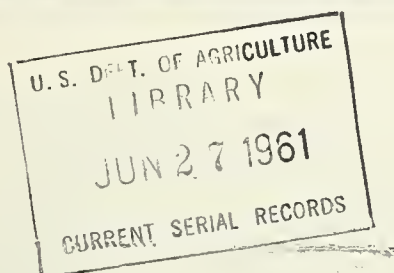
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WORLD LARD PRODUCTION AND TRADE, 1960

Production



Growth Through Agricultural Progress

World output of lard in the major producing countries is estimated at 7.0 billion pounds--3 percent below the 1959 total of 7.2 billion pounds, but 4 percent above the 6.7 billion produced in 1958.

Almost all of the 1960 production decrease was in the United States. Lower U.S. lard output resulted from smaller hog slaughter in 1960 as compared with 1959 and from lower yield of lard per hog.

Western European production continued the upward trend of recent years, reaching a record level of 1,240 million pounds or 3 percent above the 1,200 million pounds produced in 1959 and 36 percent above the 1951-55 average of 910 million pounds. Lard output in Eastern European countries, excluding the Soviet Union, continued to increase, while output in the latter and Communist China dropped slightly during 1960. Eastern European production amounted to 1,360 million pounds or 4 percent above 1959. Production in the Soviet Union is estimated at 1,170 million pounds compared with 1,180 million in 1959. The 1960 outturn is 56 percent above the 1951-55 average of 750 million pounds.

Production of lard in the major producing areas will probably increase moderately during 1961. Europe is expected to account for most of the increase with a 2 to 3 percent rise in volume. Production in North America is expected to be slightly larger, with the United States and Mexico accounting for most of the increase.

Lard production data for some countries includes rendered lard production only. For other countries, data include unrendered pork fat in terms of lard.

This Circular contains more detailed information than the summary of similar title published in the monthly supplement issue of Foreign Crops and Markets of May 25, 1961.

Trade

World exports of lard in 1960 were 902 million pounds, an increase of 4 percent over 1959.

U.S. exports during 1960 totaled 620 million pounds--3 percent above the 604 million pounds in 1959. U.S. exports accounted for 69 percent of world lard trade. The Netherlands, the second largest exporter, accounted for 13 percent, with France ranking third at 10 percent.

The United Kingdom and Cuba were the principal lard importers; together they received 77 percent of total shipments. West Germany, Peru, and Japan purchased two-thirds of the remainder.

Japan imported 39 million pounds of lard during 1960 compared with 31 million during 1959, and a 4-million-pound average for 1951-55. U.S. exports of lard to Japan in 1960 were 314,000 pounds compared with 10,000 pounds in 1959. Japan is raising the lard tariff from 5 percent ad valorem to a specific duty of 15 yen per kilo (U.S. \$.016 per pound), equivalent to approximately 14 percent ad valorem at current market prices. Imports of lard from dollar areas are now being permitted only to the extent that dollars have been specifically allocated to finance imports. The Japanese Ministry of Finance, however, will probably allow unlimited imports whenever the new duty becomes effective, about July 1, 1961.

United States.--Although U.S. lard production was down substantially in 1960, exports were up. The United States exported 24 percent of the 1960 domestic production. The United Kingdom and Cuba took 87 percent with the former taking a postwar record quantity of U.S. lard; shipments to Cuba decreased 12 percent compared with the 1959 alltime high. U.S. exports to Cuba in 1961 will decline because of the break in diplomatic relations. U.S. lard exports during the first 3 months of 1961 fell 65 percent compared with the corresponding period of 1960. There was a sharp decline in exports, both to Cuba and the United Kingdom. The increase in U.S. prices has resulted in a sharp decline in the amount of lard U.K. processors have to put in blended shortenings.

Outlook

World production of lard will probably increase in 1961 as hog slaughter is expected to expand generally in Europe and North America. World lard exports in 1961 are not expected to equal the high level of 1960. Reduced supplies and higher prices will sharply reduce exports from the United States during the first half of 1961.

U.S. lard production will pick up considerably when the spring pig crop comes to market in volume in late summer or early fall. Lard prices probably will remain firm and well above last year during the spring and summer.

U.S. lard is facing tough competition in Europe and in the long run the market there is expected to decrease. The European Economic Community

is planning to increase the external tariff on lard from 10 to 20 percent, a move which would tend to price U.S. lard out of the market. Already the Common Market as a whole is a net exporter with West Germany the only substantial net importer, and a significant market for U.S. lard. France and the Netherlands are the leading competitors of the United States in supplying the other Common Market countries. Even with the present duty of 10 percent, U.S. exporters will face increased pressure as the duty on lard between countries in the Common Market is gradually reduced to zero.

Table 1.--LARD: World exports, U.S. exports, and U.S. production, average 1935-39 and 1951-55, annual 1953-60

Year	Estimated world exports	United States			
		Exports	Exports as percent of world exports	Pro- duction	Exports as percent of production
	Million pounds	Million pounds	Percent	Million pounds	Percent
Average:					
1935-39.....	360	166	46	1,630	10
1951-55.....	709	555	78	2,618	21
Annual:					
1953.....	560	423	76	2,355	18
1954.....	624	465	75	2,330	20
1955.....	784	562	72	2,660	21
1956.....	799	611	76	2,761	22
1957.....	772	501	65	2,560	20
1958.....	660	389	59	2,441	16
1959.....	866	604	70	2,803	22
1960 <u>1</u> /.....	902	620	69	2,568	24

1/ Preliminary.

Table 2.--LARD 1/: Estimated production in specified countries, average 1951-55, annual 1957-60

Continent and country	Average 1951-55	1957	1958	1959 <u>2/</u>	1960 <u>2/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
North America:					
Canada.....	128	116	145	185	147
Mexico <u>3/</u>	51	86	84	76	60
United States.....	2,660	2,547	2,426	2,780	2,568
Total North America <u>4/</u>	2,890	2,800	2,710	3,090	2,820
South America:					
Argentina.....	21	32	33	27	29
Brazil.....	134	158	199	172	163
Chile.....	21	22	23	24	24
Colombia.....	26	25	27	28	30
Total South America <u>4/</u>	240	280	330	300	290
West Europe:					
Austria.....	73	80	79	80	83
Belgium-Luxembourg.....	29	35	32	32	37
Denmark.....	46	53	54	60	65
France.....	127	159	164	175	168
Germany, West <u>5/6/</u>	402	476	544	575	600
Italy.....	70	80	76	86	93
Netherlands.....	22	27	26	29	34
Portugal.....	55	59	58	60	56
Spain.....	17	20	21	23	23
United Kingdom.....	13	22	22	20	25
Total West Europe <u>4/</u>	910	1,070	1,130	1,200	1,240
East Europe:					
Bulgaria <u>6/7/</u>	45	50	68	63	63
Czechoslovakia <u>6/7/</u>	128	180	198	182	183
Germany, East <u>6/7/</u>	172	203	204	186	180
Hungary <u>6/7/</u>	102	111	102	111	114
Poland <u>6/7/</u>	352	495	515	477	506
Yugoslavia <u>6/</u>	149	208	218	288	---
Total East Europe <u>4/</u>	950	1,250	1,310	1,310	1,360
Total Europe <u>4/</u>	1,860	2,320	2,440	2,510	2,600
U.S.S.R. (Europe and Asia) <u>6/7/</u> ...	750	940	1,050	1,180	1,170
Other countries:					
Union of South Africa <u>3/6/7/</u>	16	18	15	19	14
Japan <u>6/</u>	30	54	64	73	59
Total other countries <u>4/</u>	90	130	150	160	140
TOTAL WORLD <u>4/</u>	5,830	6,470	6,680	7,240	7,020

1/ Previous series have included unrendered pork fat in terms of lard for most countries. Except where otherwise noted, this series relates to estimates of rendered lard. 2/ Preliminary. 3/ Commercial only. 4/ Includes estimates for minor-producing countries not shown. 5/ Includes West Berlin, Saarland included from July 1959. 6/ Includes unrendered pork fat in terms of lard. 7/ Calculated from pork production.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of United States agricultural attaches and other representatives abroad, results of office research and related information.

Table 3.--LARD: Exports from specified countries,
average 1951-55, annual 1957-60

Country	Average 1951-55	1957	1958	1959	1960 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United States.....	555	501	389	604	620
Netherlands.....	61	103	107	97	114
France.....	14	58	66	78	94
Argentina.....	11	32	31	27	27
Denmark.....	36	33	34	24	20
Belgium-Luxembourg..	26	39	25	20	19
Sweden.....	2	6	7	7	6
Canada.....	4	---	1	9	2
Total.....	709	772	660	866	902

Table 4.--LARD: Imports into specified countries by country of origin,
average 1951-55, annual 1957-60

Country	Average 1951-55	1957	1958	1959	1960 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom.....	132	244	256	377	453
Cuba.....	159	179	165	210	190
Germany, West.....	92	65	55	64	52
Peru.....	19	36	38	37	40
Japan.....	4	14	15	31	39
Canada.....	6	28	6	4	21
Belgium-Luxembourg..	18	25	20	21	16
Mexico.....	32	12	15	11	11
Costa Rica.....	11	10	11	11	11
Guatemala.....	10	11	12	10	5
Austria.....	42	23	11	3	1
Netherlands.....	36	6	1	---	1
Yugoslavia.....	76	57	48	22	---
Total.....	637	710	653	801	840

1/ Preliminary.

Table 5.--LARD (INCLUDING RENDERED PORK FAT): U.S. exports
by country of destination, average 1951-55, annual 1957-60

Country	Average 1951-55	1957	1958	1959	1960 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom....	125	150	146	275	349
Cuba.....	157	179	165	217	190
Canada.....	6	27	5	4	21
Germany, West.....	56	18	11	40	16
Mexico.....	32	12	15	11	9
Haiti.....	7	7	7	8	8
Costa Rica.....	7	2	2	5	4
Guatemala.....	8	5	3	8	3
El Salvador.....	4	3	3	3	3
Bolivia.....	4	5	1	6	3
Peru.....	13	3	1	5	1
Netherlands.....	33	1	---	2	1
Yugoslavia.....	38	62	15	8	---
Austria.....	24	8	1	---	---
Other countries...	41	19	14	12	12
Total.....	555	501	389	604	620

1/ Preliminary.

Table 6.--LARD: Netherlands' exports by country of destination,
average 1951-55, annual 1957-60

Country	Average 1951-55	1957	1958	1959	1960 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Peru.....	2	18	27	31	36
Japan.....	1	11	14	23	27
Germany, West.....	8	22	19	12	17
United Kingdom....	2	15	25	13	9
Costa Rica.....	---	8	8	5	4
Guatemala.....	1	7	7	1	---
Yugoslavia.....	23	5	---	---	---
Hungary.....	3	11	---	---	2
Other countries...	21	6	7	12	19
Total.....	61	103	107	97	114

1/ Preliminary.

Table 7.--IARD: French exports by country of destination,
average 1951-55, annual 1957-60

Country	Average 1951-55	1957	1958	1959	1960 ^{1/}
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom.....	---	26	37	46	52
Belgium-Luxembourg..	---	12	11	15	21
West Germany.....	6	7	3	9	9
Reunion Islands.....	2	6	3	5	5
Other countries.....	5	7	7	3	7
Total.....	14	58	66	78	94

^{1/} Preliminary.

Table 8.--IARD: Danish exports by country of destination,
average 1951-55, annual 1957-60

Country	Average 1951-55	1957	1958	1959	1960 ^{1/}
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United Kingdom.....	13	18	22	18	15
West Germany.....	6	5	7	3	3
Hungary.....	3	5	---	---	---
Austria.....	5	2	---	---	---
East Germany.....	4	3	---	---	---
Other countries.....	5	---	5	3	2
Total.....	36	33	34	24	20

^{1/} Preliminary.

Table 9.--IARD: United Kingdom imports by country of origin,
average 1951-55, annual 1957-60

Country	Average 1951-55	1957	1958	1959	1960 ^{1/}
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
United States.....	122	155	144	281	355
France.....	---	25	35	41	50
Belgium-Luxembourg..	---	26	24	11	16
Denmark.....	5	18	22	18	16
Netherlands.....	3	15	25	12	10
Sweden.....	---	---	---	3	3
Canada.....	1	---	1	10	2
Other countries.....	1	5	5	1	1
Total.....	132	244	256	377	453

^{1/} Preliminary.

Table 10.--LARD: West German imports by country of origin,
average 1951-55, annual 1957-60

Country	Average 1951-55	1957	1958	1959	1960 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Netherlands.....	10	21	19	12	17
United States.....	60	21	10	33	11
France.....	8	5	7	9	10
Belgium-Luxembourg.	2	1	1	4	7
Denmark.....	7	5	7	3	2
Poland.....	---	6	9	1	1
Other countries....	5	6	2	2	4
Total.....	92	65	55	64	52

1/ Preliminary.

Table 11.--LARD: Peruvian imports by country of origin,
average 1951-55, annual 1957-60

Country	Average 1951-55	1957	1958	1959	1960 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Netherlands.....	4	18	27	31	32
Argentina.....	2	15	10	1	7
United States.....	13	3	1	4	1
Other countries....	---	---	---	1	---
Total.....	19	36	38	37	40

1/ Preliminary.

Table 12.--LARD: Japanese imports by country of origin,
average 1951-55, annual 1957-60

Country	Average 1951-55	1957	1958	1959	1960 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Netherlands.....	2	12	14	20	29
United States.....	2	1	---	4	10
Other countries....	---	1	1	7	---
Total.....	4	14	15	31	39

1/ Preliminary.